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Attorney or Party Name, Address, Telephone & FAX Numbers, and California State Bar Number ALBERT, WEILAND & GOLDEN, LLP Lei Lei Wang Ekvall, State Bar No. 163047 650 Town Ctr. Dr., #950, Costa Mesa, CA 92626 714 966-1000 tel; 714 966-1002 fax	FOR COURT USE ONLY <div style="text-align: center; font-size: 1.2em; font-weight: bold;">FILED</div> <div style="text-align: center; font-size: 1.1em;">03 JUL 23 PM 2:36</div> <div style="text-align: center; font-size: 0.8em;">CLERK U.S. BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA</div>
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA	CASE NO.: <u>LA 03-23323 SB</u> <div style="text-align: right; font-size: 0.8em;">BY _____ DEPUTY</div>
In re: <u>ALVIN J. PAYNE, INC.,</u> <div style="text-align: center;">Debtor(s).</div>	

NOTICE OF SALE OF ESTATE PROPERTY

Sale Date: Auction date to be set	Time: Auction time to be set
Location: 6423 E. Alondra Boulevard, Paramount, California	

Type of Sale: ☒ Public ☐ Private Last date to file objections: 7/29/03

Description of Property to be Sold: machinery, equipment, inventory, 1999 GMC Yukon, 30-foot Sea Ray Cruiser with radar

Terms and Conditions of Sale: see attached Notice of Hearing on Chapter 7 Trustee's Motion for Authority to:
(1) Sell Personal Property of the Estate Pursuant to 11 U.S.C. Sections 363(b) and (f); (2) Employ Auctioneer
(Ostrin & Ostrin Co.); and (3) Vacate and Surrender the Premises (the "Notice")

Proposed Sale Price: see attached Notice

Overbid Procedure (If Any): see attached Notice

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

Contact Person for Potential Bidders (include name, address, telephone, fax and/or e-mail address):

Albert, Weiland & Golden, LLP
Lei Lei Wang Ekvall, Esq.
650 Town Center Drive, Suite 950
Costa Mesa, CA 92626
714 966-1000 (telephone); 714 966-1002 (fax)

Date: 7/21/03

COPY

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3 650 Town Center Drive, Suite 950
4 Costa Mesa, California 92626
5 Telephone: (714) 966-1000
6 Facsimile: (714) 966-1002

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8 Attorneys for Alberta P. Stahl,
9 Chapter 7 Trustee

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UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re

ALVIN J. PAYNE, INC.,

Debtor.

Case No. LA 03-23323 SB

Chapter 7 Case

**NOTICE OF HEARING ON CHAPTER 7
TRUSTEE'S MOTION FOR AUTHORITY
TO: (1) SELL PERSONAL PROPERTY
OF THE ESTATE PURSUANT TO
11 U.S.C. §§ 363(b) and (f); (2) EMPLOY
AUCTIONEER (OSTRIN & OSTRIN CO.);
AND (3) VACATE AND SURRENDER
THE PREMISES**

DATE: August 12, 2003

TIME: 11:00 a.m.

CTRM: LA-1575

TO ALL INTERESTED PARTIES:

PLEASE TAKE NOTICE that on **August 12, 2003 at 11:00 a.m.** in Courtroom 1575 of the above-captioned court located at 255 E. Temple Street, Los Angeles, California, the Court will hear the motion (the "Motion") of Alberta P. Stahl, the chapter 7 trustee (the "Trustee") of the estate (the "Estate") of Alvin J. Payne, Inc. (the "Debtor"), for an order approving the Trustee's motion for authority to: (1) sell at public auction certain tangible personal property of the Estate pursuant to 11 U.S.C. §§ 363(b) and (f); (2) employ an auctioneer; and (3) vacate and surrender the business premises.

I. FACTUAL BACKGROUND

On May 15, 2003, the Debtor filed a voluntary petition for relief under chapter 7 of the Bankruptcy Code and Alberta P. Stahl was appointed the chapter 7 trustee. The Debtor was in the business of printing labels for use in the medical field.

1 On June 11, 2003, the Court entered its order dismissing the Debtor's case for
2 failure to file Schedule C. On June 18, 2003, the Trustee was notified by the clerk's
3 office that the order was entered in error and was vacated.

3 According to the Debtor's voluntary petition and statement of financial affairs,
4 Alvin Payne is the sole officer, director, and 100% shareholder of the Debtor.

5 The Debtor's tangible personal property includes machinery, equipment, and
6 inventory (collectively, the "Equipment") which is presently located at the Debtor's
7 business premises at 6423 E. Alondra Boulevard, Paramount, California (the
8 "Premises"). The Debtor also owns a 1999 GMC Yukon (the "Vehicle"). The Trustee
9 was also advised at the meeting of creditors that the Debtor owns a 30-foot Sea Ray
10 Cruiser with radar (the "Boat") which was purchased for \$19,000. The Boat is docked in
11 Huntington Harbor. The Equipment, the Vehicle, and the Boat are referred to collectively
12 as the "Assets."

9 According to Ostrin & Ostrin Company, the Equipment and the Vehicle (excluding
10 the Boat) are valued between \$40,000 and \$50,000.

11 Two state tax liens in the amounts of \$2,534.50 and \$9,433.54 (collectively, the
12 "Tax Liens") have been filed against the Debtor.

12 The Trustee is also advised by the Debtor that the Vehicle is encumbered by a
13 lien (the "Car Lien") in favor of Bank of America in the approximate sum of \$2,000.00.
14 The Trustee is not aware of any liens encumbering the Boat.

14 II. PROPOSED SALE OF DEBTOR'S PERSONAL PROPERTY

15 Ostrin & Ostrin Company ("Ostrin & Ostrin"), the Trustee's proposed auctioneer,
16 has inspected the Equipment and has prepared an inventory of the main items of the
17 Equipment. The Trustee proposes to sell all of the Assets at a public auction sale to be
18 conducted by Ostrin & Ostrin.

18 Gary Ostrin and Ostrin & Ostrin have substantial experience in providing auction
19 and appraisal services and are well qualified to conduct the proposed auction of the
20 Assets.

20 Ostrin & Ostrin has on file a \$50,000 blanket bond in favor of the United States, as
21 required by the United States Trustee's Supervisory Instruction #10. In addition, Ostrin &
22 Ostrin has obtained a \$40,000 single auction performance bond in favor of the Trustee,
23 specifically for the auction of the Assets.

22 The auction is anticipated to be held within thirty days following court approval of
23 this Motion. Ostrin & Ostrin's marketing efforts will include two Los Angeles Times
24 display advertisements and auction brochures.

24 The Equipment is currently stored at the Premises which are leased by the
25 Debtor. The Trustee proposes to conduct the auction at the Premises.

26 The Trustee is negotiating an agreement with First Industrial, LP, the lessor (the
27 "Lessor") of the Premises, to remain in possession of the Premises pending the auction
28 sale. Subject to the Lessor's consent to either continue or withdraw its motion for relief
from the automatic stay to allow the Trustee sufficient time to advertise the auction,
conduct the auction sale, and remove the Assets from the Premises upon conclusion of
the auction sale, the Trustee agrees that: (1) the Trustee shall give the Lessor at least

1 two weeks notice of the date and time of the auction sale; (2) Ostrin & Ostrin shall add
2 the Lessor as an additional insured on Ostrin & Ostrin's commercial liability insurance
3 policy with coverage of \$1,000,000.00 per occurrence and \$2,000,000.00 in the
4 aggregate; (3) the Lessor retains all rights to assert an administrative rent claim and the
5 Trustee retains all rights to object to such claim, or alternatively, the Lessor shall be
6 allowed an administrative rent claim at the monthly rate of \$2,593.00 from the Petition
7 Date until the Trustee vacates the Premises with pro ration for any partial month; and
8 (4) in the event the Trustee and the Lessor have a dispute regarding the scheduling and
9 other aspects of the auction, the Lessor may file a motion with the Court on shortened
10 notice to resolve the dispute.

11 The terms of the proposed auction are summarized as follows:

12 (1) Following advertising and pre-auction public viewing, the Assets will
13 be sold piecemeal to the highest bidder at the auction sale, without limit and
14 without reserve.

15 (2) The sale is expected to be held in August 2003 at the Premises.

16 (3) Ostrin & Ostrin will be allowed:

17 (a) An expense allowance not to exceed \$6,000 for advertising,
18 set up labor, sale day personnel, bookkeeping, check-out and removal
19 supervision; and

20 (b) A 10% buyer's premium to be added to the cost of each sale
21 but which will not be paid from the proceeds of the auction.

22 (4) Ostrin & Ostrin will be responsible for the collection of money from
23 the purchaser, providing a bill of sale to buyers, and providing the Trustee with an
24 itemized expense report, sold item report, and a check for net proceeds.

25 (5) Ostrin & Ostrin will collect all gross proceeds of the sale and will pay
26 all applicable sales taxes. Ostrin & Ostrin will turn over the net proceeds (gross
27 proceeds less applicable sales taxes) to the Trustee following the auction. In
28 compliance with Federal Rule of Bankruptcy Procedure 6004(4) and Local
Bankruptcy Rule 2016-1(1)(a), Ostrin & Ostrin will file a sold item and expense
report (the "Report") with the Bankruptcy Court and serve a copy of the Report on
the Office of the United States Trustee. The Trustee shall be authorized to pay
Ostrin & Ostrin's expenses without further order of the Court.

The Trustee believes that the proposed public auction is in the best interest of the
Estate and will permit the value of the Assets to be maximized as the auction will be
extensively advertised. The Trustee has received no offers to purchase the Assets in
bulk.

Gary Ostrin is an experienced auctioneer who has inspected the Equipment and
conservatively estimates the auction value of the Assets at approximately
\$40,000 - \$50,000, which, after deducting auction costs and fees not to exceed \$6,000,
and the Car Lien in the approximate amount of \$2,000, would net approximately
\$32,000 - \$42,000 to the Estate.

1 **III. EMPLOYMENT OF AUCTIONEERS**

2 The Trustee proposes to employ the auctioneering firm of Ostrin & Ostrin to
3 provide advertising, cataloging, registration of bidders, auctioneering, checkout and
4 collection services for the sale of the Assets. Ostrin & Ostrin is highly experienced, does
not hold an interest adverse to the estate, is not a creditor of the Debtor, and no one
employed by Ostrin & Ostrin is related to the bankruptcy judge in this case.

5 The terms of Ostrin & Ostrin's proposed employment provide that:

6 (1) Advertising, set up labor, sale day personnel, bookkeeping, check-out and
7 removal supervision, not to exceed \$6,000, will be paid from the proceeds of sale without
further order of the Court; and

8 (2) Ostrin & Ostrin will charge a 10% buyer's premium to be added to the cost
9 of each sale, which will not be paid by the Estate.

10 Ostrin & Ostrin will provide the pre-auction services of advertising, set-up, and
11 preview, auction services of conducting the auction and providing bills of sale to each
12 buyer, post-auction services of supervising the removal of purchased items during a
check-out period to be provided for buyers, preparing an itemized list of all items sold,
and preparing an expense report.

13 The Trustee proposes that Ostrin & Ostrin's marketing and labor costs not to
14 exceed \$6,000 be paid from the proceeds of sale, without further order of the Court, and
that the Court approve Ostrin & Ostrin's charge of a 10% buyer's premium to be paid by
the buyers at the auction, which will not be paid from the sale proceeds.

15 A complete copy of the Motion may be obtained from the Clerk of the Bankruptcy
16 Court.

17 **PLEASE TAKE FURTHER NOTICE** that Local Bankruptcy Rule 9013-1(a)(7)
provides:

18 "Unless otherwise ordered by the Court, each interested party
19 opposing, joining, or responding to the motion shall file and serve not later
than fourteen (14) days before the date designated for hearing either:

20 (i) A brief but complete written statement of all reasons in
21 opposition thereto or in support or joinder thereof, and answering
22 memorandum of points and authorities, declarations and copies of all
23 photographs and documentary evidence on which the responding party
24 intends to rely. The opposing papers shall advise the adverse party that
any reply to the opposition shall be filed with the Court and served on the
opposing party not later than seven (7) calendar days (not excluding
Saturdays, Sundays, and legal holidays) prior to the hearing on the motion;
or

25 (ii) A written statement that the motion will not be opposed."
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1 **PLEASE TAKE FURTHER NOTICE** that Local Bankruptcy Rule 9013-1(a)(11)
2 provides: "Papers not timely filed and served may be deemed by the Court to be
3 consent to the granting or denial of the motion, as the case may be."

4 ALBERT, WEILAND & GOLDEN, LLP

5 DATED: July 18, 2003

6 By: 

7 LEI LEI WANG EKVALL
8 Attorneys for Alberta P. Stahl,
9 Chapter 7 Trustee
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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF ORANGE

I am employed in the County of Orange, State of California. I am over the age of 18 and not a party to the within action; my business address is 650 Town Center Drive, Suite 950, Costa Mesa, California 92626.

On July 18, 2003, I served the foregoing documents described as: **NOTICE OF HEARING ON CHAPTER 7 TRUSTEE'S MOTION FOR AUTHORITY TO: (1) SELL PERSONAL PROPERTY OF THE ESTATE PURSUANT TO 11 U.S.C. §§ 363(b) and (f); (2) EMPLOY AUCTIONEER (OSTRIN & OSTRIN CO.); AND (3) VACATE AND SURRENDER THE PREMISES** on the interested parties in this action by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

SEE ATTACHED SERVICE LIST

X (BY MAIL) I caused such envelope with postage thereon fully prepaid to be placed in the United States mail at Costa Mesa, California.

— (BY PERSONAL SERVICE) I caused such envelope to be delivered by hand to the offices of the addressee.

— (VIA TELECOPY) I caused the above-mentioned document(s) to be telecopied to the parties named on the attached list.

— (BY FEDERAL EXPRESS) I caused such envelope to be delivered via Federal Express.

Executed on July 18, 2003, at Costa Mesa, California.

— (STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

X (FEDERAL) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Lori Jones


Signature

SERVICE LIST

Office of the U.S. Trustee
Ernst & Young Plaza
725 South Figueroa St., 26th Floor
Los Angeles, CA 90017

Alvin J. Payne, Inc.
6423 E. Alondra Blvd.
Paramount, CA 90723
Debtor

Patrick Frawley, Esq.
21300 Victory Blvd., Suite 820
Woodland Hills, CA 91367
Attorney for Debtor

Alberta P. Stahl, Esq.
221 N. Figueroa, Suite 1200
Los Angeles, CA 90012
Chapter 7 Trustee

Gary Ostrin
Ostrin & Ostrin Co.
4101 Birch St., Suite 150
Newport Beach, CA 92660
Proposed Auctioneers

State of California
Employment Development Department
Central Collection Division, MIC 92
P.O. Box 826880
Sacramento, CA 94280-0001

Bank of America
Post Office Box 2240
Brea, California 92822

Bank of America
Post Office Box 53155
Phoenix, Arizona 85072-3155

Bank of America
Post Office Box 92822
Brea, California 92822

Bank of America
Post Office Box 53132
Phoenix, Arizona 85034

Thomas E. Lombardi, Esq.
Palmer & Lombardi LLP
445 So. Figueroa St., Suite 2580
Los Angeles, CA 90071
Attorney for Landlord

Request for Special Notice

Karen Sue Naylor, Trustee
P.O. Box 504
Santa Ana, CA 92702-0504

Karen Sue Naylor, Trustee
c/o Stanley Minier, Esq.
2677 N. Main St., #870
Santa Ana, CA 92705

ACUCOTE, INCORPORATED
POST OFFICE BOX 538
GRAHAM, NORTH CAROLINA 27253

ADCOCK MANUFACTURING
1550 WEST 132ND STREET
GARDENA, CA 90249-21 08

ALLEGIANCE TELECOM, INC.
1950 STEMMONS EXPRESSWAY
DALLAS, TEXAS 75207

ALMA R. ROMERO
12212 BROOKMONT AVENUE
SYLMAR, CALIFORNIA 91324

AMCO DIE COMPANY
11003 PENROSE STREET, #F
SUN VALLEY, CALIFORNIA 91352

AMERICAN EXPRESS
POST OFFICE BOX 297804
FORT LAUDERDALE, FL 33329-7804

AMN AMRO MORTGAGE COMPANY
4242 NORTH HARLEM AVENUE
NORTHRIDGE, ILLINOIS 60706

ARCAR GRAPHICS, INC.
POST OFFICE BOX 92300
CHICAGO, ILLINOIS 60675-2300

AVERY DENNISON, INC.
7670 AUBURN ROAD
PAINSVILLE, OHIO 44077

AVERY DENNISON, INC.
7670 AUBURN ROAD
PAINESVILLE, OHIO 44077

BANK OF AMERICA
POST OFFICE BOX 2240
BREA, CALIFORNIA 92822

~~BANK OF AMERICA~~
~~POST OFFICE BOX 2240~~
~~SACRAMENTO, CALIFORNIA 92822~~
MAIL RETURNED

BANK OF AMERICA
POST OFFICE BOX 53155
PHOENIX, ARIZONA 85072-3155

BANK OF AMERICA
POST OFFICE BOX 92822
BREA, CALIFORNIA 92822

BANK OF AMERICA
POST OFFICE BOX 53132
PHOENIX, ARIZONA 85034

BANK OF AMERICA
POST OFFICE BOX 92822
BREA, CALIFORNIA 92822

BENEFICIAL
POST OFFICE BOX 8633
ELMHURST, ILLINOIS 60126

C&C DIE ENGRAVING, INC.
12510 MC CANN DRIVE
SANTA FE SPRINGS, CA 90670

CHASE MANHATTAN BANK
POST OFFICE BOX 15922
WILMINGTON, DE 15850-5922

COMPETITIVE ADVANTAGE
221 HILLCREST CIRCLE
PLEASANT HILL, CALIFORNIA 94523

DISCOVER FINANCIAL SERVICES
POST OFFICE BOX 7086
DOVER, DELAWARE 19903-9826

ENVIRONMENTAL INKS
POST OFFICE BOX 60599
CHARLOTTE, NC 28260

FIRST INDUSTRIAL LP
898 NORTH SEPULVEDA #750
EL SEGUNDO, CALIFORNIA 90245

FIRST INDUSTRIAL LP
898 NORTH SEPULVEDA #750
EL SEGUNDO, CALIFORNIA 90245

FIRST INDUSTRIAL REALTY
898 NORTH SEPULVEDA #750
EL SEGUNDO, CALIFORNIA 90245

FIRST USA BANK NA
POST OFFICE BOX 8650
WILMINGTON, DE 19889-8650

FOR ENVIRONMENT
1414 EAST SIXTH STREET
CORONA, CALIFORNIA 92879

INTERNAL REVENUE SERVICE
FRESNO, CALIFORNIA 93888

ITW FOILS
75 REMITTANCE DRIVE, #1 404
CHICAGO, ILLINOIS 60675-1404

JT PRE PRESS EXPRESS
1703 POMONA AVENUE #8
COSTA MESA, CALIFORNIA 92627

KAISER PERMANENTE
CALIFORNIA SERVICE CENTER
POST OFFICE BOX 23758
SAN DIEGO, CALIFORNIA 92193

LABELS, FORM AND PACKING
POST OFFICE BOX 1193
LOS ALAMITOS, CALIFORNIA 90729

LAW FIRE PROTECTION
POST OFFICE BOX 26400
SAN DIEGO, CA 92196-0400

P.I.C. INDUSTRIES, INC.
1851 DAWNS WAY
FULLERTON, CALIFORNIA 92831

PRECISION DIE
12024 CENTRALIA ROAD, UNIT B
HAWAIIAN GARDENS, CALIFORNIA

PRECISION TAG AND LABEL
4735 EAST INDUSTRIAL STREET
SIMI VALLEY, CALIFORNIA 93063

PRIME GRAPHIC, INCORPORATED
6309 ALONDRA BOULEVARD
PARAMOUNT, CALIFORNIA 90723

TECHNICOTE, INCORPORATED
222 MOUND AVENUE
MIAMISBURG, OHIO 45342

TOWER LEE COMPANY, INC.
019 VAIL AVENUE
COMMERCE, CALIFORNIA 90040

TRAVELERS INSURANCE
PL COLLECTIONS
ONE TOWER SQUARE - IOPB
HARTFORD, CT 06183-7150

UNITED PARCEL SERVICE
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LOS ANGELES, CA 90189-4820

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WELLS FARGO BUSINESS BANK
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SACRAMENTO, CALIFORNIA

~~WELLS FARGO BUSINESS BANK~~
~~POST OFFICE BOX 448750~~
~~SACRAMENTO, CALIFORNIA 95834~~
MAIL RETURNED